

## Refine Search

### Search Results -

Terms	Documents
L5 and auction	8

Database:

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L6

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### Search History

DATE: Monday, October 24, 2005    [Printable Copy](#)    [Create Case](#)

#### Set Name Query

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#### Hit Count Set Name

result set

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<u>L6</u>	L5 and auction	8	<u>L6</u>
<u>L5</u>	L4 and lottery	175	<u>L5</u>
<u>L4</u>	(ticket near exchange or ticket with exchange or ticket adj exchange)	1460	<u>L4</u>
<u>L3</u>	L2 and lottery	4	<u>L3</u>
<u>L2</u>	L1 and auction	37	<u>L2</u>
<u>L1</u>	ticket near exchange	479	<u>L1</u>

END OF SEARCH HISTORY

# Freeform Search

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<b>Database:</b>	US Pre-Grant Publication Full-Text Database
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<b>Term:</b>	<input type="text"/>
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<b>Display:</b>	<input type="text" value="10"/> Documents in <b>Display Format:</b> <input type="text" value="FRO"/> Starting with Number <input type="text" value="1"/>
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<b>Generate:</b>	<input type="radio"/> Hit List <input checked="" type="radio"/> Hit Count <input type="radio"/> Side by Side <input type="radio"/> Image
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Search	Clear	Interrupt
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## Search History

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**DATE:** Monday, October 24, 2005    [Printable Copy](#)    [Create Case](#)

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side by side

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<u>Set Name</u>	<u>Query</u>	<u>Hit Count</u>	<u>Set Name</u>
		result set	
<u>L6</u>	L5 and auction	8	<u>L6</u>
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<u>L2</u>	L1 and auction	37	<u>L2</u>
<u>L1</u>	ticket near exchange	479	<u>L1</u>

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L6: Entry 4 of 8

File: PGPB

Jun 27, 2002

DOCUMENT-IDENTIFIER: US 20020082969 A1

TITLE: Event ticket pricing and distribution system

Abstract Paragraph:

A method for event ticket distribution comprises the steps of distributing event tickets allocated to a first distribution pool in accordance with a decreasing selling price auction distribution, and, upon completion of the auction distribution, distributing event tickets allocated to at least a second distribution pool. The event tickets allocated to at least a second distribution pool may be distributed in accordance with a lottery distribution.

Summary of Invention Paragraph:

[0017] Past attempts at addressing these widely acknowledged industry problems have not succeeded to any significant degree as variations of either pricing or distribution practices have simply resulted in exacerbating existing problem issues or creating new practical problems. The arrival of the Internet has led to renewed efforts to develop auctioning systems in this area in an attempt to ensure that the promoter could accurately bid up the ticket price for each individual ticket to the real market price. By definition, if the promoter can obtain maximum market value for the tickets, then there is no additional value in those tickets to sustain the existence of a black market. The secondary market would then simply be relegated to an exchange market for last minute tickets, which would not sustain the supply and pricing manipulation to the degree that leads to the large scale industry deficiencies.

Summary of Invention Paragraph:

[0019] It is evident from the lack of industry acceptance that auction systems alone fail to solve the problems of the industry. In fact, it is the secondary market that makes use of auctions successfully to sell small numbers of individual tickets, not being restrained by the requirements of mass market selling and distribution. This follows the pattern of auction sites generally which are successful in selling individual items.

Summary of Invention Paragraph:

[0022] These needs and others are addressed by the present invention, which provides a system and method whereby event promoters sell a certain proportion of all tickets for a particular event at the highest price per ticket the market will bear, thus substantially redirecting revenue from the existing secondary/black market to the industry parties who have created the event. Furthermore, a system and method is provided whereby event promoters may sell a further portion of all tickets for a particular event by means of a form of lottery that is fair and transparent, and is not based on a "first come first served" premise, thus ensuring equitable distribution of tickets to the detriment of the secondary/black market, and to the benefit and convenience of ticket-buying consumers.

Summary of Invention Paragraph:

[0032] The system in accordance with the present invention restores proper value distribution by combining a decreasing selling price auction with a secondary distribution occurring after the auction distribution is completed. A first portion of the available tickets are placed into the auction pool, where the initial size of the auction pool is determined, at least in part, by the ticket price, the event venue, the size of the applicable market, and anticipated demand. The remaining tickets are placed into one or more secondary distribution pools. The process is optimized if the only way for a consumer to be certain of obtaining a ticket is to purchase at market value via the auction. Once the auction is completed, the only alternative should be to participate in the transparent lottery process of the second distribution pool for the chance of obtaining a ticket at a low fixed price.

Summary of Invention Paragraph:

[0033] The initial auction pricing is deliberately set at an unsustainably high level, and scheduled for reduction at regular intervals. To facilitate bidding at this decreasing selling price auction, participants are encouraged to register over the ticket distribution web site or by telephone. This registration process may include providing payment details and agreeing to certain contractual provisions, for example, in return for which the participant receives a bidding reference number.

Summary of Invention Paragraph:

[0034] The web site also includes a notice that after the auction is completed, the secondary pool tickets will be distributed. This secondary distribution may be conducted in the form of a lottery, for example, at a predetermined low price. In order to participate in the lottery distribution, prospective participants may be asked to register over the web site or by telephone, and to pay the ticket lottery subscription fee in advance. The lottery subscription price may be very low, in the vicinity of \$1 or \$2 (or maybe \$5, depending upon factors such as the performer, venue, target market, etc.). It should be noted that the lottery subscription price is very low indeed, when compared with the usual face value of concert tickets (\$25 to \$50, for example). For a 5,000 ticket lottery pool, the promoter may collect \$50,000 (1 dollar each from 50,000 eager, would-be attendees, for instance). Preferably, the secondary pool tickets are distributed to registered lottery purchasers selected at random, or through a predetermined distribution algorithm designed to result in fairness. The primary purpose of the lottery subscription is not promoter profit, but specifically to eliminate market manipulation by brokers through multiple entries.

Summary of Invention Paragraph:

[0035] Lottery subscribers may be asked to provide their payment details just as auction participants are, so that lottery winners may be billed for the face value of the tickets they have requested. Of course, the number of tickets permitted for each lottery subscriber may be limited (each lottery subscriber may be limited to 4 or 8 tickets, for example).

Summary of Invention Paragraph:

[0036] By using a portal site for both the auction and secondary distributions, the promoter subjects participants to ancillary advertising and promotion of the kind generally associated with portal sites. This system provides a more realistic opportunity for the purchasing public to investigate ticket buying opportunities, which should have the effect of increasing the size of the market.

Summary of Invention Paragraph:

[0037] Many of the operative parameters associated with this method are preferably controlled by statistical analysis (somewhat empirical and adaptive in some cases) of transactions occurring on the web site. Responses in the auction phase are analyzed to decide how much to reduce the asking price for example, and whether to alter the size of the secondary distribution pool (or pools). In fact, respective sizes of the secondary distribution pools may be decided dynamically through transaction analysis. Of course, some parameters, such as the initial auction pool size, initial auction price, and initial first pool lottery subscription price, are preferably established in advance, but may be susceptible of calculation through adaptation of known marketing formulae. The model provides data gathering capabilities that allow the transaction model to be optimized and even altered if desired.

Summary of Invention Paragraph:

[0038] In accordance with one aspect of the invention, a method for event ticket distribution comprises the steps of distributing event tickets allocated to a first distribution pool in accordance with a decreasing selling price auction distribution, and, upon completion of the auction distribution, distributing event tickets allocated to at least a second distribution pool.

Summary of Invention Paragraph:

[0039] The step of distributing event tickets in accordance with a decreasing selling price auction distribution may further include the steps of determining an initial size for the first distribution pool, establishing an initial selling price for the event tickets in the first distribution pool, and determining a price decrement amount for the decreasing selling price auction.

Summary of Invention Paragraph:

[0040] In another aspect of the invention, the step of distributing event tickets in accordance

with a decreasing selling price auction distribution further includes, during the auction distribution, the steps of collecting and recording transaction information related to the decreasing selling price auction distribution, dynamically determining selling price decrement amount based, at least in part, upon the transaction information, and dynamically determining relative sizes of the first and second distribution pools based, at least in part, upon the transaction information. The method may further include dynamically determining a termination time for the step of distributing event tickets in accordance with it decreasing selling price auction distribution based, at least in part, upon the transaction information.

Summary of Invention Paragraph:

[0041] In another form of the invention, distributing event tickets allocated to at least a second distribution pool may comprise distributing the event tickets in accordance with a lottery distribution. The lottery distribution may further comprise the steps of collecting and recording lottery participant information, collecting and recording ticket request information, including number of tickets requested by each lottery participant, and identifying participants to whom tickets are distributed.

Summary of Invention Paragraph:

[0042] In accordance with a further aspect of the invention, identifying participants to whom tickets are distributed includes a random selection process weighted in accordance with predetermined weighting criteria. The predetermined weighting criteria may include geographic location, association membership, and participation history. The selection process may be weighted such that probability of selection for a participant decreases with increasing number of tickets selected by the participant. Collecting and recording lottery participant information may include charging each lottery participant a predetermined subscription fee, and event tickets remaining in the first distribution pool may be reallocated to the second distribution pool at termination time.

Summary of Invention Paragraph:

[0043] In yet another form of the invention, a method for event ticket distribution comprises the steps of allocating event tickets to at least first and second distribution pools, collecting and recording participant information, distributing event tickets allocated to the first distribution pool in accordance with a decreasing selling price auction distribution, and, during the distribution, collecting and recording transaction information related to the decreasing selling price auction distribution. The method further includes dynamically determining selling price decrement amount based, at least in part, upon the transaction information, dynamically determining relative sizes of the at least first and second distribution pools based, at least in part, upon the transaction information, and, upon completion of the decreasing selling price auction distribution, distributing event tickets allocated to at least the second distribution pool.

Summary of Invention Paragraph:

[0044] In still a further aspect of the invention, the method may further include dynamically determining a termination time for the step of distributing event tickets in accordance with a decreasing selling price auction distribution based, at least in part, upon the transaction information.

Summary of Invention Paragraph:

[0045] In accordance with yet another form of the invention, the step of distributing event tickets allocated to at least a second distribution pool comprises distributing the event tickets in accordance with a lottery distribution. Distributing the event tickets in accordance with a lottery distribution may further comprise the steps of collecting and recording lottery participant information, collecting and recording ticket request information, including number of tickets requested by each lottery participant, and identifying participants to whom tickets are distributed. Identifying participants to whom tickets are distributed may include a random selection process weighted in accordance with predetermined weighting criteria. The predetermined weighting criteria may include geographic location, association membership, and participation history. The selection process may be weighted such that probability of selection for a participant decreases with increasing number of tickets selected by the participant. Collecting and recording lottery participant information may include charging each lottery participant a predetermined subscription fee, and event tickets remaining in the first distribution pool may be reallocated to the second distribution pool at termination time.

Summary of Invention Paragraph:

[0046] In still another form of the invention, a method for event ticket pricing and distribution comprises the steps of allocating event tickets to at least first and second distribution pools, collecting and recording participant information, distributing event tickets allocated to the first distribution pool in accordance with a decreasing selling price auction distribution, and, during the distribution, collecting and recording transaction information related to the decreasing selling price auction distribution, dynamically determining selling price decrement amount based, at least in part, upon the transaction information, dynamically determining relative sizes of the at least first and second distribution pools based, at least in part, upon the transaction information, and dynamically determining a termination time for the step of distributing event tickets in accordance with a decreasing selling price auction distribution based, at least in part, upon the transaction information. In this form of the invention, at a predetermined time, the method also includes distributing event tickets allocated to at least the second distribution pool in accordance with a lottery distribution that includes the steps of collecting and recording lottery participant information, collecting and recording ticket request information, including number of tickets requested by each lottery participant, and identifying participants to whom tickets are distributed.

Summary of Invention Paragraph:

[0047] In still a further form of the invention, identifying participants to whom tickets are distributed includes using a random selection process weighted in accordance with predetermined weighting criteria. The predetermined weighting criteria may include geographic location, association membership, and participation history. The selection process may be weighted such that probability of selection for a participant decreases with increasing number of tickets selected by the participant. Collecting and recording lottery participant information may include the step of charging each lottery participant a predetermined subscription fee, and event tickets remaining in the first distribution pool may be reallocated to the second distribution pool at termination time.

Summary of Invention Paragraph:

[0048] In accordance with another form of the invention, a system for event ticket distribution comprises means for distributing event tickets allocated to a first distribution pool in accordance with a decreasing selling price auction distribution, and means for distributing event tickets allocated to at least a second distribution pool upon completion of the auction distribution;

Summary of Invention Paragraph:

[0049] The means for distributing event tickets in accordance with a decreasing selling price auction distribution may further comprise means for determining an initial size for the first distribution pool, means for establishing an initial selling price for the event tickets in the first distribution pool, and means for determining a price decrement amount for the decreasing selling price auction. The means for distributing event tickets in accordance with a decreasing selling price auction distribution may further comprise means for collecting and recording transaction information related to the decreasing selling price auction distribution during the distribution, means for dynamically determining selling price decrement amount based, at least in part, upon the transaction information, and means for dynamically determining relative sizes of the at least first and second distribution pools based, at least in part, upon the transaction information.

Summary of Invention Paragraph:

[0050] The system may further include means for dynamically determining a termination time for the decreasing selling price auction distribution based, at least in part, upon the transaction information. The means for distributing event tickets allocated to at least a second distribution pool may comprise means for distributing the event tickets in accordance with a lottery distribution.

Summary of Invention Paragraph:

[0051] In yet another aspect of the invention, the means for distributing the event tickets in accordance with a lottery distribution further comprises means for collecting and recording lottery participant information, means for collecting and recording ticket request information, including number of tickets requested by each lottery participant, and means for identifying participants to whom tickets are distributed. The means for identifying participants to whom tickets are distributed may comprise a random selection process weighted in accordance with predetermined weighting criteria. The predetermined weighting criteria may include geographic

location, association membership, and participation history. The selection process may be weighted such that probability of selection for a participant decreases with increasing number of tickets selected by the participant. The means for collecting and recording lottery participant information may include means for charging each lottery participant a predetermined subscription fee, and event tickets remaining in the first distribution pool may be reallocated to the second distribution pool at the termination time.

Summary of Invention Paragraph:

[0052] In accordance with yet a further aspect of the invention, a system for event ticket distribution comprises means for allocating event tickets to at least first and second distribution pools, means for collecting and recording participant information, means for distributing event tickets allocated to the first distribution pool in accordance with a decreasing selling price auction distribution, means for collecting and recording transaction information related to the decreasing selling price auction distribution during the distribution, means for dynamically determining selling price decrement amount based, at least in part, upon the transaction information, means for dynamically determining relative sizes of the at least first and second distribution pools based, at least in part, upon the transaction information, and means for distributing event tickets allocated to at least the second distribution pool upon completion of the auction distribution.

Summary of Invention Paragraph:

[0053] In another form of the invention, the system may further comprise means for dynamically determining a termination time for the decreasing selling price auction distribution based, at least in part, upon the transaction information. The means for distributing event tickets allocated to at least a second distribution pool may comprise means for distributing the event tickets in accordance with a lottery distribution.

Summary of Invention Paragraph:

[0054] In yet another aspect of the invention, the means for distributing the event tickets in accordance with a lottery distribution further comprises means for collecting and recording lottery participant information, means for collecting and recording ticket request information, including number of tickets requested by each lottery participant, and means for identifying participants to whom tickets are distributed. The means for identifying participants to whom tickets are distributed may comprise a random selection process weighted in accordance with predetermined weighting criteria. The predetermined weighting criteria may include geographic location, association membership, and participation history. The selection process may be weighted such that probability of selection for a participant decreases with increasing number of tickets selected by the participant. The means for collecting and recording lottery participant information may further include means for charging each lottery participant a predetermined subscription fee, and event tickets remaining in the first distribution pool may be reallocated to the second distribution pool at the termination time.

Summary of Invention Paragraph:

[0055] In still a further form of the invention, a system for event ticket pricing and distribution comprises means for allocating event tickets to at least first and second distribution pools, means for collecting and recording participant information, means for distributing event tickets allocated to the first distribution pool in accordance with a decreasing selling price auction distribution, means for collecting and recording transaction information related to the decreasing selling price auction distribution during the distribution, means for dynamically determining selling price decrement amount based, at least in part, upon the transaction information, means for dynamically determining relative sizes of the at least first and second distribution pools based, at least in part, upon the transaction information, means for dynamically determining a termination time for the decreasing selling price auction distribution based, at least in part, upon the transaction information, means for distributing event tickets allocated to at least the second distribution pool in accordance with a lottery distribution at a predetermined time, means for collecting and recording lottery participant information, means for collecting and recording ticket request information, including number of tickets requested by each lottery participant, and means for identifying participants to whom tickets are distributed.

Summary of Invention Paragraph:

[0056] The means for identifying participants to whom tickets are distributed may comprise a random selection process weighted in accordance with predetermined weighting criteria. The predetermined weighting criteria may include geographic location, association membership, and



participation history. The selection process may be weighted such that probability of selection for a participant decreases with increasing number of tickets selected by the participant. The means for collecting and recording lottery participant information may include means for charging each lottery participant a predetermined subscription fee, and event tickets remaining in the first distribution pool may be reallocated to the second distribution pool at the termination time.

Summary of Invention Paragraph:

[0057] In accordance with still another form of the invention, a system for event ticket distribution comprises a memory device storing a program, a processor in communication with the memory, the processor operative with the program to allocate event tickets to at least first and second distribution pools, collect and record participant information, distribute event tickets allocated to the first distribution pool in accordance with a decreasing selling price auction distribution, collect and record transaction information related to the decreasing selling price auction distribution during the distribution, dynamically determine selling price decrement amount based, at least in part, upon the transaction information, dynamically determine relative sizes of the at least first and second distribution pools based, at least in part, upon the transaction information, and distribute event tickets allocated to at least the second distribution pool upon completion of the auction distribution.

Summary of Invention Paragraph:

[0058] In one form of the invention, the processor is operative to dynamically determine a termination time for the decreasing selling price auction distribution based, at least in part, upon the transaction information. The processor may be operative to distribute event tickets allocated to the at least a second distribution pool in accordance with a lottery distribution.

Summary of Invention Paragraph:

[0059] In accordance with still a further form of the invention, the processor is further operative to collect and record lottery participant information, collect and record ticket request information, including number of tickets requested by each lottery participant, and identify participants to whom tickets are distributed. The processor may be operative to identify participants to whom tickets are distributed using a random selection process weighted in accordance with predetermined weighting criteria. The predetermined weighting criteria may include geographic location, association membership, and participation history. The selection process may be weighted such that probability of selection for a participant decreases with increasing number of tickets selected by the participant. The processor may be operative to charge each lottery participant a predetermined subscription fee, and to reallocate event tickets remaining in the first distribution pool to the second distribution pool at the termination time.

Brief Description of Drawings Paragraph:

[0064] FIG. 4 is a flow chart illustrating the process that takes place when a user elects to view the auction site of the system of FIG. 1; and

Brief Description of Drawings Paragraph:

[0065] FIG. 5 is a flow chart that depicts the lottery distribution elements of the system of FIG. 1.

Detail Description Paragraph:

[0072] Since the inventive system employs both an auction distribution and a secondary distribution of event tickets, initial pool allocations are determined prior to system start-up for a particular event. A portion of the tickets is allocated to a first distribution pool (for the auction), while the remaining tickets are allocated to at least one other distribution pool.

Detail Description Paragraph:

[0073] The prices of the tickets in secondary distribution must also be decided. Preferably, this is a standard/fixed price, but those who receive tickets as a result of the secondary distributions may in fact win any category of ticket, as some of the best tickets may also be made available for secondary distribution. Some of the other details to be decided up front include the starting price for the auction distribution, the charities that may benefit from subscription fees for secondary distribution participants, and overall system timing. For example, when the auction begins and ends, when price changes take place for the auction, and



when secondary distributions begin.

Detail Description Paragraph:

[0075] Key variables are thus the ticket price to be paid in secondary distribution, and the relative proportions of tickets distributed by the auction and by secondary distribution methods. There are, of course, numerous potential strategies. The transaction analyzer 107 (FIG. 1) progressively accumulates data on events sold using the inventive system. Using this accumulated data, and also applying mathematical techniques (statistical analysis) over time, the transaction analyzer provides to the Seller a range of strategies for reaching optimal income levels with different levels of risk. The transaction analyzer 107 will also give accurate estimates of income ranges under various strategies.

Detail Description Paragraph:

[0079] 3. The effect of small adjustments of the variables in terms of estimates, ranges and probabilities (e.g., increasing the price to secondary distributees by 5%, and reducing the proportion distributed by auction by 10%, will increase the 98% likely base revenue to \$1.26M, but reduce the estimated revenue to \$1.29M and a narrower range).

Detail Description Paragraph:

[0082] The distribution of event tickets via auction distribution preferably begins by quoting a very high (too high) price. This is important to ensure that the highest edge of demand is met and can be publicly justified as such. It is also helpful to the seller that a very high price can be offered without ridicule, and it is a feature of "Dutch Auctions" (price reduction auctions that this may result in bids being attracted at higher levels than would otherwise occur for the benefit of certainty and reflecting a lack of price sensitivity).

Detail Description Paragraph:

[0083] As mentioned briefly above (and to be treated hereinbelow with greater specificity), the charities that may benefit from subscription fees charged to participants in secondary distribution may be chosen at the discretion of the seller, performer, a grouping of charities appointed in any other way, or may even be a listing of approved charities that may be nominated by each individual customer when subscribing to the secondary distribution. This subscription fee may be nominal since it does not benefit the seller, only the designated charity. Its primary function is the discouragement of systematic manipulation of the lottery process by professional brokers and touts.

Detail Description Paragraph:

[0086] applying for, etc.,) will potentially change or confirm the original estimates. Similarly, data on the operation of the auction distribution (who is registering and viewing the auction compared to other similar events, time spent on the site, whether they have also registered for the secondary distributions, etc.) will be examined for correlations.

Detail Description Paragraph:

[0087] The updated information and estimates allow the seller to manipulate the process in order to optimize the result. It will, for example, influence the pricing decisions on each repricing of the auction or potentially an increase/decrease in the price to be paid by secondary distributees.

Detail Description Paragraph:

[0088] FIG. 2 is a flow chart that illustrates entry into the system by a user. In step 201, the user accesses the system website. This site could be a ticket distributor's site, a promoter's site, etc. It may also be a marketplace site for all suitable event ticket sales world-wide. The site lists the various events being sold on the site and categorises them (e.g. by location, date, event type, etc.), and also gives an indication of the status of the events - i.e. when auction/secondary distribution are to start/expire

Detail Description Paragraph:

[0089] Preferably, the site gives information on the process and why it is beneficial to all parties (general public, public policy, governmental agencies, etc.). It will give information about the basis for the transparent secondary distribution scheme and the workings of the auction distribution. It will allow event organizers to apply to use the site for selling their events, and/or link to giving them further information about how it would work from their point of view. In addition, the site offers the option of Membership/General Registration, and the opportunity to enter specific event sites. It provides links to further information on related

topics, and it hosts relevant advertising and sales links.

Detail Description Paragraph:

[0090] A registration/membership option process is next conducted. This is an option that allows customers the opportunity to generally register for all events offered on the site: it means that there are no requirements for individual registration for events, so that participants can proceed directly into the auction/secondary distribution process without any further delays or additional requirements. The site also offers the possibility of special offers, membership benefits, pre-notification of coming events and related products, links with other clubs, and selected retailers/e-tailers/service providers

Detail Description Paragraph:

[0091] Registration may provide a membership password/number with normal security issues addressed (much like accessing one's web mail site, or the transaction site of a financial institution or bank). When a member enters the web-site, he is asked for his password/security information, and then allowed to go to any part of the site directly. He is also allowed to bid in the auction, or subscribe for secondary distribution with no further registration requirements.

Detail Description Paragraph:

[0092] The information given at registration preferably includes name, postal address, and e-mail address. It should also allow for the taking of payment details on a secure basis (well-known in the art) in order to facilitate the most efficient participation in the auction, secondary distribution, and related sales links. It should also allow (perhaps optional for customers) submission of other relevant database material (date of birth, event/product preferences etc.).

Detail Description Paragraph:

[0093] Participation in the secondary distribution may require submission of payment details in advance so that payment is pre-cleared for all winners and the charitable donation is made from the subscription fee paid at entry. Participation in the auction does not strictly require credit/debit card/payment details in advance of a bid, however. Pre-clearance of funds is unlikely (though still possible, of course) because the size of the potential bid is unknown. However, to enable maximum prioritization of the bid, the customer should at least submit credit card details (again, securely) so that these details do not have to be input at the time of the bid, and can be sent directly for authorization, enabling fastest prioritization.

Detail Description Paragraph:

[0094] Next (step 203), the user enters the site for the particular event being sold. It is envisioned that each event will have its own site. This allows more targeted advertising and links. This arrangement also allows the user to view everything in connection with the event, but requires a membership password or registration number in order for participation in the auction or secondary distributions to be authorized (and possibly to view much of the related information). It will be possible to track who is entering which event site and how long they are staying, and whether they are checking the auction price etc., as each party will need to quote a registration/membership number in order to progress. Next (step 204), the user engages in specific event registration. This is an absolute requirement if the user is not a general member in order to participate in the auction/secondary distribution (and potentially to get full access to the specific event site). It is important for the transaction analyzer (107 in FIG. 1) to track traffic on a specific basis, as well as to enable the auction and secondary distributions to progress efficiently. Complete registration also enables the customer to be e-mailed (either as a requested function or automatic function for members or for any registered party) when the auction price changes, with a link back to the event site to check it.

Detail Description Paragraph:

[0095] The user is then prompted (step 205) to select Auction View, or to proceed to registration for the secondary distribution. FIG. 3 is a flow chart depicting activities resulting from a choice to enter the secondary distribution site. In the preferred embodiment, one of the secondary distributions is a lottery distribution. Of course, once registered, or as a general member, the customer can choose to enter the auction, the secondary distribution (lottery) or both.

Detail Description Paragraph:

[0096] In step 301, the user can specify that he wishes to purchase any number of tickets (may

be limited, as some known distribution sites generally limit to 8 tickets per application). If a given user happens to win in the lottery distribution, the winner will get that number of tickets, as close to one another as possible (preferably adjacent). A winner will only win that number of tickets, not more or less.

Detail Description Paragraph:

[0098] In any event, this lottery form of the secondary distribution is highly transparent, and the system operator may indeed wish to provide transaction data as objective evidence of the inherent fairness of the process. Users may preferably enter as many times as they like subject to paying the nominal subscription fee, but will not have to pay more than once. For example, if a lottery participant were to enter twelve times, requesting 4 tickets each time, he would have to pay the nominal subscription fee for each entry, and the multiple entries will enhance his chances of winning. However, the system is designed so that each registrant can win no more than once, so he would only pay for 4 tickets if he were a lottery winner.

Detail Description Paragraph:

[0099] There are, of course, considerable promotional opportunities associated with the process, for example, the highest auction bidder and the first lottery winner may be awarded similar "VIP" packages (transportation to the event, etc.).

Detail Description Paragraph:

[0100] In the subsequent step (302), the lottery subscription price may be paid to charity, or elsewhere. The rationale is that this process is ultimately fairer and better for the consumer. Rather than having to queue at particular locations or try to beat the touts on the telephone/Internet queues, customers have a fair and transparent process for obtaining tickets at reasonable prices. The promoter may not benefit from this element, the subscription fees may go instead to charity, or elsewhere, as determined. The subscription price for the lottery distribution will preferably be nominal (e.g., \$1) but it is important to note that the chances of winning are very high, (unlike a state lottery for example). As mentioned previously, the primary purpose of the subscription fee is not promoter profit, but distribution system equity.

Detail Description Paragraph:

[0101] FIG. 4 is a flow chart illustrating the process that takes place if the user elects to view the auction site. In step 401, key elements of the auction are displayed. These elements preferably include the current price being offered (or when the first price will be offered, if the auction has not yet begun). The time of expiration of the current offer (the time of the next price reduction) will also be displayed, unless the supply has been exhausted before that. The auction site will also indicate the seats that remain available to be purchased by auction. This is intended to allow purchasers to know what they are bidding for. However, these details are preferably vague enough to give minimum information to potential purchasers about demand/how many seats are unsold, etc.

Detail Description Paragraph:

[0102] The test for auction termination occurs in step 402. The auction will terminate before the lottery (secondary distribution) regardless of whether all of the tickets allocated to the auction by way of the first distribution pool are sold. The auction price can never be it the level of the lottery price, so any unbid tickets will be allocated to the lottery at auction termination (step 409). The transaction analyzer (107 in FIG. 1) aims to optimize this process and ensure that the best decisions are made before and during the process. The lottery takes place after the auction in order that no one will be sure of getting tickets unless they bid at the auction. This is vitally important to optimize the auction results.

Detail Description Paragraph:

[0103] If the time for a price reduction has not arrived (evaluated in step 403), participant bids are processed. A user preferably bids by clicking on the appropriate button and possibly re-confirming a password. As the auction should ensure that there is never heavy bidding (by pitching at the very edge of demand), there should never be a rush. However, as each price will be offered for a defined period, and each successful bidder has his choice of tickets, there must be a prioritization system.

Detail Description Paragraph:

[0106] If the time for price reduction has arrived, as determined in step 403 above, the next process step (408) sets the new auction price. At pre-determined intervals, the seller adjusts

downward the price of the ticket for the auction until the supply is exhausted, or until the auction closing date. The transaction analyzer 107 of FIG. 1 uses the pre-process decisions and accumulated data on registrations, site usage, etc., to aid this process. At auction termination, unsold tickets in the first distribution pool (the auction pool) are transferred to the second distribution pool (the lottery pool) in Step 409.

Detail Description Paragraph:

[0107] FIG. 5 is a flow chart that depicts the lottery distribution elements. The lottery itself (step 501) takes place on a predetermined date after the end of the auction. It is highly transparent and the procedures are open to objective inspection. As discussed above, winners are selected at random, but the lottery is preferably weighted such that chances of winning decrease with an increasing number of tickets selected by a given participant. Other weighting criteria may also be used, such as geographic location, club/association membership, or even the participation history of the participant. For example, the promoter may decide to enhance the chances of winning for a participant who has not been successful in the lottery distribution in the past.

Detail Description Paragraph:

[0108] In the subsequent step 502, the winners are notified at the e-mail address specified at registration, and pre-cleared payment is deducted from the credit/debit card. Losers in the lottery distribution may also be e-mailed for notification. In step 503, a proportion of people who do not win the lottery are offered consolation prizes. This is an opportunity for promotion by the event organizer or various other retailers or service providers. Data are provided to the fulfillment process (step 504) in much the same way described above for the auction distribution.

Detail Description Paragraph:

[0109] It is important to note that the system is described in conjunction with FIG. 1 above is not solely an Internet model. It is possible easily to accommodate telephone use for both the lottery and auction. In fact, the method has the added benefit of eliminating the need to beat the telephone queue as the timing rush issue is eliminated. Customers could register by telephone, or, of course, at ticket booths, could quote registration/membership number to participate in the auction and lottery by telephone, and could receive all relevant information as to next price reduction and tickets available over a telephone hook-up.

CLAIMS:

1. A method for event ticket distribution, the method comprising the steps of: (a) distributing event tickets allocated to a first distribution pool in accordance with a decreasing selling price auction distribution, and, upon completion of said auction distribution; (b) distributing event tickets allocated to at least a second distribution pool.
2. The method in accordance with claim 1, wherein the step (a) of distributing event tickets in accordance with a decreasing selling price auction distribution further includes the steps of: (a1) determining an initial size for the first distribution pool; (a2) establishing an initial selling price for the event tickets in the first distribution pool; and (a3) determining a price decrement amount for the decreasing selling price auction.
3. The method in accordance with claim 1, wherein the step (a) of distributing event tickets in accordance with a decreasing selling price auction distribution further includes, during the auction distribution, the steps of: (a4) collecting and recording transaction information related to said decreasing selling price auction distribution; (a5) dynamically determining selling price decrement amount based, at least in part, upon said transaction information; and (a6) dynamically determining relative sizes of said at least first and second distribution pools based, at least in part, upon said transaction information.
4. The method in accordance with claim 3, further comprising: dynamically determining a termination time for the step (a) of distributing event tickets in accordance with a decreasing selling price auction distribution based, at least in part, upon said transaction information.
5. The method in accordance with claim 1, wherein the step (b) of distributing event tickets allocated to at least a second distribution pool comprises distributing said event tickets in accordance with a lottery distribution.

6. The method in accordance with claim 5, wherein the step (b) of distributing said event tickets in accordance with a lottery distribution further comprises the steps of: (b1) collecting and recording lottery participant information; (b2) collecting and recording ticket request information, including number of tickets requested by each lottery participant; and (b3) identifying participants to whom tickets are distributed.

12. The method in accordance with claim 6, wherein the step of collecting and recording lottery participant information includes the step of charging each lottery participant a predetermined subscription fee.

14. A method for event ticket distribution, the method comprising the steps of: (a) allocating event tickets to at least first and second distribution pools; (b) collecting and recording participant information; (c) distributing event tickets allocated to said first distribution pool in accordance with a decreasing selling price auction distribution, and, during said distribution: (i) collecting and recording transaction information related to said decreasing selling price auction distribution; (ii) dynamically determining selling price decrement amount based, at least in part upon said transaction information; (iii) dynamically determining relative sizes of said at least first and second distribution pools based, at least in part, upon said transaction information; and, upon completion of said decreasing selling price auction distribution; (d) distributing event tickets allocated to at least said second distribution pool.

15. The method in accordance with claim 14, further comprising: dynamically determining a termination time for the step (a) of distributing event tickets in accordance with a decreasing selling price auction distribution based, at least in part, upon said transaction information.

16. The method in accordance with claim 14, wherein the step (d) of distributing event tickets allocated to at least a second distribution pool comprises distributing said event tickets in accordance with a lottery distribution.

17. The method in accordance with claim 16, wherein the step (d) of distributing said event tickets in accordance with a lottery distribution further comprises the steps of: (d1) collecting and recording lottery participant information; (d2) collecting and recording ticket request information, including number of tickets requested by each lottery participant; and (d3) identifying participants to whom tickets are distributed.

23. The method in accordance with claim 17, wherein the step of collecting and recording lottery participant information includes the step of charging each lottery participant a predetermined subscription fee.

25. A method for event ticket pricing and distribution, the method comprising the steps of: (a) allocating event tickets to at least first and second distribution pools; (b) collecting and recording participant information; (c) distributing event tickets allocated to said first distribution pool in accordance with a decreasing selling price auction distribution, and, during said distribution: (i) collecting and recording transaction information related to said decreasing selling price auction distribution; (ii) dynamically determining selling price decrement amount based, at least in part, upon said transaction information; (iii) dynamically determining relative sizes of said at least first and second distribution pools based, at least in part, upon said transaction information; (iv) dynamically determining a termination time for the step (c) of distributing event tickets in accordance with a decreasing selling price auction distribution based, at least in part, upon said transaction information; and, at a predetermined time; (d) distributing event tickets allocated to at least said second distribution pool in accordance with a lottery distribution that includes the steps of: (v) collecting and recording lottery participant information; (vi) collecting and recording ticket request information, including number of tickets requested by each lottery participant; and (vii) identifying participants to whom tickets are distributed.

31. The method in accordance with claim 25, wherein the step (v) of collecting and recording lottery participant information includes the step of charging each lottery participant a predetermined subscription fee.

33. A system for event ticket distribution comprising: means for distributing event tickets allocated to a first distribution pool in accordance with a decreasing selling price auction distribution; and means for distributing event tickets allocated to at least a second

distribution pool upon completion of said auction distribution;

34. The system of claim 33, wherein the means for distributing event tickets in accordance with a decreasing selling price auction distribution further comprises: means for determining an initial size for the first distribution pool; means for establishing an initial selling price for the event tickets in the first distribution pool; and means for determining a price decrement amount for the decreasing selling price auction.

35. The system of claim 33, wherein the means for distributing event tickets in accordance with a decreasing selling price auction distribution further comprises: means for collecting and recording transaction information related to said decreasing selling price auction distribution, during said distribution; means for dynamically determining selling price decrement amount based, at least in part, upon said transaction information; and means for dynamically determining relative sizes of said at least first and second distribution pools based, at least in part, upon said transaction information.

36. The system of claim 35, further comprising: means for dynamically determining a termination time for the decreasing selling price auction distribution based, at least in part, upon said transaction information.

37. The system of claim 33, wherein the means for distributing event tickets allocated to at least a second distribution pool comprises means for distributing said event tickets in accordance with a lottery distribution.

38. The system of claim 37, wherein the means for distributing said event tickets in accordance with a lottery distribution further comprises: means for collecting and recording lottery participant information; means for collecting and recording ticket request information, including number of tickets requested by each lottery participant; and means for identifying participants to whom tickets are distributed.

44. The system of claim 38, wherein the means for collecting and recording lottery participant information includes means for charging each lottery participant a predetermined subscription fee.

46. A system for event ticket distribution comprising: means for allocating event tickets to at least first and second distribution pools; means for collecting and recording participant information; means for distributing event tickets allocated to said first distribution pool in accordance with a decreasing selling price auction distribution; means for collecting and recording transaction information related to said decreasing selling price auction distribution, during said distribution; means for dynamically determining selling price decrement amount based, at least in part, upon said transaction information; means for dynamically determining relative sizes of said at least first and second distribution pools based, at least in part, upon said transaction information; and, means for distributing event tickets allocated to at least said second distribution pool upon completion of said auction distribution.

47. The system of claim 46, further comprising: means for dynamically determining a termination time for the decreasing selling price auction distribution based, at least in part, upon said transaction information.

48. The system of claim 46, wherein the means for distributing event tickets allocated to at least a second distribution pool comprises means for distributing said event tickets in accordance with a lottery distribution.

49. The system of claim 48, wherein the means for distributing said event tickets in accordance with a lottery distribution further comprises: means for collecting and recording lottery participant information; means for collecting and recording ticket request information, including number of tickets requested by each lottery participant; and means for identifying participants to whom tickets are distributed.

55. The system of claim 49, wherein then means for collecting and recording lottery participant information includes means for charging each lottery participant a predetermined subscription fee.



57. A system for event ticket pricing and distribution comprising: means for allocating event tickets to at least first and second distribution pools; means for collecting and recording participant information; means for distributing event tickets allocated to said first distribution pool in accordance with a decreasing selling price auction distribution; means for collecting and recording transaction information related to said decreasing selling price auction distribution during said distribution; means for dynamically determining selling price decrement amount based, at least in part, upon said transaction information; means for dynamically determining relative sizes of said at least first and second distribution pools based, at least in part, upon said transaction information; means for dynamically determining a termination time for the decreasing selling price auction distribution based, at least in part, upon said transaction information; means for distributing event tickets allocated to at least said second distribution pool in accordance with a lottery distribution at a predetermined time; means for collecting and recording lottery participant information; means for collecting and recording ticket request information, including number of tickets requested by each lottery participant; and means for identifying participants to whom tickets are distributed.

63. The system of claim 57, wherein thus means for collecting and recording lottery participant information includes means for charging each lottery participant a predetermined subscription fee.

65. A system for event ticket distribution comprising: a memory device storing a program; a processor in communication with the memory, the processor operative with said program to: allocate event tickets to at least first and second distribution pools; collect and record participant information, distribute event tickets allocated to said first distribution pool in accordance with a decreasing selling price auction distribution; collect and record transaction information related to said decreasing selling price auction distribution, during said distribution, dynamically determine selling price decrement amount based, at least in part, upon said transaction information; dynamically determine relative sizes of said at least first and second distribution pools based, at least in part, upon said transaction information; and, distribute event tickets allocated to at least said second distribution pool upon completion of said auction distribution.

66. The system of claim 65, wherein the processor is operative to dynamically determine a termination time for the decreasing selling price auction distribution based, at least in part, upon said transaction information.

67. The system of claim 65, wherein the processor is operative to distribute event tickets allocated to said at least a second distribution pool in accordance with a lottery distribution.

68. The system of claim 67, wherein the processor is further operative to: collect and record lottery participant information; collect and record ticket request information, including number of tickets requested by each lottery participant; and identify participants to whom tickets are distributed.

74. The system of claim 68, wherein the processor is operative to charge each lottery participant a predetermined subscription fee.

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